

February 24 1961

Lawrence Houston,
General Counsel
Central Intelligence Agency
Washington, D. C.

Dear Mr. Houston:

In connection with this Department's efforts to propose to Congress amendments which would strengthen our espionage statutes, we have been considering proposing legislation which would make it a criminal offense for any person who has lawfully had access to classified information to threaten to unlawfully dilute such information. A copy of a draft of such a proposed Bill is attached.

You will note that the proposed legislation takes the form of an amendment to Title 18, U.S.C., Section 873 (blackmail).

The possible desirability of such legislation suggested itself a couple of years ago when your agency referred to this Division a matter involving a former employee who was threatening to disclose information concerning certain of the Central Intelligence Agency's activities. You will recall that at that time we were unable to institute any affirmative prosecutive action in the absence of a Federal extortion statute applicable to such activity.

I would appreciate your views of the attached proposal, including particularly any information you could furnish as to the need for such legislation. It would be of considerable assistance to this Department if you could advise us whether or not there have been other instances similar to the one mentioned above, which may have been handled administratively, but would indicate the need or lack of need for such legislation.

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In drafting this proposal in the form in which it has been done, we have tried to draft the statute in such a way as to enable the Government to prosecute without the necessity of introducing the national defense information into evidence. We have therefore broadened the proposed legislation to include any information, classified or unclassified, in an effort to make the gist of the offense the extortion threat rather than the disclosure of information.

For your additional information and consideration in this matter there are enclosed a copy of this Division's memorandum to the Deputy Attorney General dated January 24, 1961, and a copy of a memorandum dated February 1, 1961, which was prepared in the Office of the Deputy Attorney General.

You will note there is attached an original draft of the proposed bill, which was the subject of the memorandum prepared in the Office of the Deputy Attorney General. Also attached is a "second draft" of the proposed bill which we hope will meet some of the objections in the latter memorandum.

Sincerely,

J. WALTER YEAGLEY
Assistant Attorney General
Internal Security Division

By:
KEVIN T. MARONEY,
Chief, Appeals and Research Section

Enclosures